

CHAPTER 8

COMMISSARIES

The mission of a Navy commissary is to provide authorized resale items for sale to authorized commissary patrons at the lowest practical price. The commissary operates within a facility that is designed and managed to meet the standards used in commercial food stores. As a senior petty officer in charge of a commissary, you will have many contacts with civilian dependents and retired personnel as well as active duty military personnel. You must use all of the management skills and knowledge available to you to improve service, to stimulate sales, and to promote morale for the benefit of all of your commissary customers.

SCOPE OF OPERATION

Commissaries will consist of any or all of the following departments:

- Department S-1—Grocery, prepackaged meats, and household
- Department S-3—Red meats, pork, poultry, and seafood products requiring processing (as distinguished from prepackaged meats of Department S-1)
- Department S-4—Fruits and vegetables (fresh)
- Department MS—Miscellaneous supplies

ORGANIZATION, CONTROL, AND ADMINISTRATION

The field support office (FSO) of the Navy Resale and Services Support Office (NAVRESSO) performs the primary support functions of the Navy Resale and Services Support Office over the commissary. All orders and instructions issued by the Navy Resale and Services Support Office FSO

in the discharge of these functions will have the same force and effect as if the orders were issued by the Navy Resale and Services Support Office.

NAVRESSO

For an individual commissary, the Navy Resale and Services Support Office performs the following functions:

1. Recommends to the Commander, Naval Supply Systems Command for the establishment and disestablishment of stores
2. Initiates instructions, notices, and manual changes, as appropriate, pertaining to operations
3. Conducts surveys, management reviews, and advisory visits to stores to evaluate individual performance and compliance with policies, directives, and procedures issued by the Navy Resale and Services Support Office, the Naval Supply Systems Command, and higher authority
4. Purchases materials as required and establishes and administers field procurement policies in connection with purchase of certain materials
5. Prepares plans for store designs and layouts and maintains liaison on these matters with the Naval Supply Systems Command and other technical bureaus, commands, or offices concerned
6. Develops commissary budgetary requirements, administers allotments for procurement of material under the Navy Stock Fund project, and administers the Commissary Reserve Fund
7. Conducts store management courses for naval officers and civilian personnel and prepares field operational training material
8. Exercises inventory control when needed in the operation of a commissary

Most of these functions are only a telephone call away. Usually, arrangements for any of these services can be made by telephone via the resale activity officer in charge and the NAVRESSO FSO.

SENIOR ENLISTED ASSIGNMENTS AND RESPONSIBILITIES

As a senior Ship's Serviceman, you will probably be assigned to a commissary as a supervisor of one of several areas. In this position, no matter what area you will supervise, there will be rules, regulations, and procedures. These rules will govern the operation of your area. You will have the responsibility of staying ahead of your operation. To do this, you must make certain that all of your manual changes and NAVRESSO notices are up-to-date and properly routed when they are received. At all times, you must be aware of the Navy's policies on waste, fraud, and abuse.

Before reporting to your commissary, you must attend one of the available schools on the operations of a commissary. You can obtain the dates and areas of available schools on Navy commissaries for your particular paygrade through NAVRESSO's Commissary Operations Group.

Generally, first class petty officers (E-6s) and chief petty officers (E-7s) are assigned supervisory positions in areas of receiving, sales floor, front end, or warehouse. There are several other positions to which you could be assigned upon reporting to a commissary. In these positions, you will be in constant contact with civilians who are either vendors or customers. At all times, you must remember your standards of conduct. Upon checking in to your store, you will be asked to read, understand, and sign a copy of the standards of conduct. Be sure you read these standards carefully and understand them before you sign. You are expected to adhere to and promote these standards.

At present, senior petty officers who are supervisors in the Ship's Serviceman rating are having problems with junior personnel not understanding the magnitude of certain legal and moral aspects, such as accountability, responsibility, misappropriation, personal loans, favors, gifts, free merchandise, and personal gains through commissary business. The standards of conduct are always posted in your store and are touched upon in notices and instructions, but they are hardly ever explained in detail. You, as a senior Ship's Serviceman, must assume this responsibility. You must be accountable to yourself knowing that you have done everything to make certain that your people, both military and civilian, understand the goals of the commissary and that they are working toward those goals.

TRAINING

Besides on-the-job training (OJT), NAVRESSO conducts workshops and seminars and provides assistance visits. Usually NAVRESSO will offer the workshops and seminars on an as-needed basis in order to introduce new procedures, refresh personnel in existing procedures, and improve communications in particular areas of commissary management. Upon request, specialized assistance in all areas of commissary operations is available from NAVRESSO. The Commissary Management course is given six times per year in Athens, Georgia, at the Navy Supply Corps School. This course is a 4-week management course for personnel who will be reporting to key commissary management assignments. This course will allow you to earn a 3113 or 3114 NEC for Commissary or Navy Exchange.

BILLETS

In most cases, billets in your commissary consist of department supervisory positions. In all cases, you will need all the professional growth you have accumulated as you have gone up the ladder to this point in leadership. Some of the positions in your commissary to which you might be assigned are listed below:

- Commissary manager
- Sales floor supervisor
- Cash cage supervisor
- Office supervisor
- Receiving supervisor
- Produce department supervisor
- Meat department supervisor

There are other positions to which you might be assigned, but in most cases the ones listed above are a good bet. These positions are in commissaries all over the world. For a current listing of areas and positions, you should contact NAVRESSO by letter or AUTOVON. NAVRESSO will be happy to assist you. You must still be assigned by your detailer, but the information NAVRESSO can provide will be helpful to you when you are discussing where you want to go on your next assignment.

MANAGEMENT OF FUNDS

More than ever before, the public is becoming increasingly interested and aware of financial accountability at U.S. Navy activities. Your commissary is no exception. Financial accountability in the commissary is critically important. Accountability in the commissary must cover the use of public monies and the money the commissary receives from customers in exchange for merchandise. As a supervisor in a Navy commissary, you must first possess personal financial integrity. You must then be aware of the accountable responsibilities of your subordinates. The information below should provide you with some practical guidelines on the security of commissary funds.

SECURITY OF FUNDS

As a supervisor, you will be responsible for maintaining the necessary security over commissary funds. The handling of commissary funds places strict duties and responsibilities on commissary personnel who are assigned to accountable positions. These duties and responsibilities are indirectly shared by every person who is working in the commissary. As a supervisor, you must insist upon the observance and fulfillment of these duties and responsibilities. You must also make certain that fundamental precautions are being carried out properly in your commissary.

First of all, the number of individuals who are authorized to handle funds must be kept to a minimum. This minimum number of persons should be consistent with the needs of the activity. As additional security, all sales, including credit sales, should be cleared through cash registers at the time of the each sale. Cash registers should be installed at locations where patrons can clearly see the registration of the amounts of their purchases.

Authorized Cash Collectors

Only properly designated and bonded collection agents are authorized to collect receipts from register operators. Authorized collectors are also the only persons who are permitted to collect receipts from sales in their own names and to retain these collections in their custody overnight.

Only in an emergency can an officer in charge designate an unbended individual to collect sales receipts from register operators. The officer in charge will be solely responsible for all collections made by the unbended person. Immediately after

the collections are made, they must be turned in to the officer in charge.

Collection agents are authorized to handle only official change funds and funds collected from sales. Each collection agent must be furnished with written instructions that outline in detail the funds that the agent is authorized to handle. The instructions include detailed procedures the agent must follow for accepting funds into custody, retaining the funds, and then releasing them from his custody.

Restrictions

In no event can a collection agent handle funds that he or she has not been designated specifically to handle. Also, a collection agent is never permitted to comingle funds. The collection agent is not permitted to operate a cash register or to take cash register readings except in exceptionally small locations with limited staffing, or whenever this action is specifically approved by the Navy Resale and Services Support Office.

The funds in the safe of the collection agent must never exceed the amount of the authorized change funds plus the previous day's receipts from sales. When two or more collection agents are used for one commissary, only one agent can be designated to make deposits with the disbursing officer. In the absence of the regular collection agent, an alternate collection agent can be designated to perform these duties. However, this is the only exception.

During the scheduled absence of the primary collection agent, necessary arrangements must be made so that cash receipts can be collected and deposited daily. The cash receipts should not be held over during the primary collection agent's period of absence.

Physical Security

As a senior Ship's Serviceman, you must aid in checking that adequate precautions are taken to ensure the physical security of funds. These precautions include the provision of a separate safe or a separate interlocking safe compartment for each individual designated to collect cash. Any safe that is used for holding official funds must have the Underwriters' Laboratories' burglary label of at least a class E rating standard. (For a class E rating, the safe must have a solid steel door with a minimum thickness of 1 1/2 inches. The door must be equipped with a relocking device. The rest of the safe must have a minimum

thickness of 1 inch of solid steel.) The safe must be anchored to the floor (or to a wall if the safe weighs less than 750 pounds).

Safes should be located in properly secured spaces that have been specifically designated for the safekeeping of funds. Admittance to these spaces should only be through self-closing and self-locking doors. All external windows, vents, or other openings that might offer a means of entry must be secured by gratings, expanded metal, or bars and must be protected by a direct wire tie-in to the station security alarm system or office. The collection agent's office, itself, need not be protected with a security alarm system. However, any spaces that are used for commissary funds must be protected by an alarm system.

The officer in charge should review requirements with the station security officer to consider which system (ultrasonic, capacitance, audio-detection, or other) is best suited to the needs of the commissary. When this determination has been made, the officer in charge will initiate action to procure and install the selected system as soon as possible. Upon receipt of an appropriate request, the Navy Resale and Services Support Office will provide the financial assistance to support the installation of the security system. Offices of collection agents must not be used or occupied by persons other than those designated to handle cash collection from sales.

Transportation of Funds

Once funds are safely collected and held, they must be transported. The commitment to security continues during transportation of the commissary's funds. Whenever funds are transported from the commissary, certain authorized methods must be followed. Any commissary supervisor or manager who is responsible for commissary funds should consult NAVRESSOINST 4065.39 for the latest security measures that must be taken whenever funds are transported from any commissary location.

GIFTS, PERSONAL LOANS, EMPLOYEE CHECKS, AND MISCELLANEOUS EXPENDITURES

No person employed or assigned to duty in a Navy commissary may accept gifts, loans, or favors from any person or firm engaged in business with or known to be attempting to engage in business with the store. No person, either

military or civilian, concerned with the operation or administration of commissaries is authorized any special privileges or services. Unauthorized privileges and services include samples or other free merchandise, reduced prices on merchandise or services, charge sales, loans of merchandise or equipment, or cash bonuses. Favored treatment in any way is not authorized. If you (or your personnel) are offered gifts or samples, simply state that you cannot accept anything because it is against regulations.

Personal loans must not be made from commissary funds for any purpose. A personal check drawn by or in favor of an employee who is an authorized patron may be cashed in the store. However, the employee's check must be deposited daily. It is strictly forbidden to withhold from daily deposit any employee's check. Although, there is no existing authority that covers the expenditure of commissary funds for gifts or contributions for commissary parties or picnics, commissary personnel are not permitted to borrow money from the cash register, change funds, or cash receipts for personal use. Under no circumstances are IOUs ever permitted.

MANAGEMENT OF STOCK

As a supervisor in a Navy commissary, you may play an important role in the procurement, management, and sale of stock in your store. Stock for a Navy commissary is defined as articles intended for resale, consumable materials except office supplies intended for use, and minor equipment and parts. Consumable materials and minor equipment and parts should be carried in inventory until they are issued for use.

AUTHORIZED STOCK OBJECTIVES

In your management of commissary stock, you must learn how to meet the probable demands of your store. You must also learn how to stay within prescribed, authorized limits. Refer to table 8-1 as you read the information below.

Items falling within the categories listed in table 8-1 are authorized for procurement for resale in Navy commissaries. In table 8-1, the quantities appearing within each major commodity group represent the minimum number of line items authorized and the recommended stock level for these items when sufficient shelf and storage space is available. The recommended amount is not a fixed ceiling, but represents that level of

Table 8-1.—Stock Item Review List

S-1 GROCERY DEPARTMENT ITEMS

| <u>GROUP NUMBER</u> | | <u>REVIEW MONTH</u> | <u>MERCHANDISING GROUP</u> | <u>RANGE OF ITEMS</u> |
|-------------------------|----------|---------------------|--------------------------------------|-------------------------------|
| 10 | | JAN, JUL, | BABY NEEDS | 60-150 |
| | OVERSEAS | MAY, NOV | | |
| 11 | | FEB, AUG, | BAKED GOODS FRESH | 57-130 |
| | OVERSEAS | JUN, DEC | | |
| 12 | | FEB, AUG, | BAKING MIXES, BAKING NEEDS | 54-110 |
| | OVERSEAS | JUN, DEC | | |
| 14 | | MAR, SEP, | BEVERAGES, BEVERAGE NEEDS | 37-74 |
| | OVERSEAS | JAN, JUL | | |
| 15 | | JAN, JUL, | BREAKFAST FOODS | 42-88 |
| | OVERSEAS | MAY, NOV | | |
| 16 | | APR, OCT, | CONDIMENTS | 41-100 |
| | OVERSEAS | FEB, AUG | | |
| 17 | | FEB, AUG, | COOKIES, CRACKERS | 44-93 |
| | OVERSEAS | JUN, DEC | | |
| 18 | | APR, OCT, | DAIRY PRODUCTS | 73-148 |
| | OVERSEAS | FEB, AUG | | |
| 19 | | MAR, SEP, | DESSERTS | 24-48 |
| | OVERSEAS | JAN, JUL | | |
| 20 | | JAN, JUL, | DIET FOODS | 21-42 |
| | OVERSEAS | MAY, NOV | | |
| 21 | | MAY, NOV, | FISH, CANNED | 12-28 |
| | OVERSEAS | MAR, SEP | | |
| 22 | | FEB, AUG, | FROZEN FOODS, BAKED GOODS | 159-325 |
| | OVERSEAS | JUN; DEC | | |
| 22 | | JUN, DEC, | FROZEN FOODS, FISH, SEAFOODS | |
| | OVERSEAS | APR. OCT | | |
| 23 | | | FRUIT CANNED (EXCLUDING TOMATOES) | 20-60 |

Table 8-1.—Stock Item Review List—Continued

S-1 GROCERY DEPARTMENT ITEMS—CONTINUED

| <u>GROUP NUMBER</u> | <u>REVIEW MONTH</u> | <u>MERCHANDISING GROUP</u> | <u>RANGE OF ITEMS</u> |
|-------------------------|--------------------------------|-----------------------------------|-------------------------------|
| 24 | FEB, AUG | FRUIT DRIED | 6-12 |
| 25 | JAN, JUL, OVERSEAS MAY, NOV | HOUSEHOLD& LAUNDRY SUPPLIES | 59-108 |
| 27 | MAR, SEP, OVERSEAS JAN, JUL | JUICE, JUICE DRINKS | 38-76 |
| 31 | MAY, NOV, OVERSEAS MAR, SEP | MEAT PREPACKAGED, REFRIGERATED | 57-120 |
| 32 | JAN, JUL, OVERSEAS MAY, NOV | MILK, CANNED&DRY | 6-12 |
| 33 | MAY, NOV, OVERSEAS MAR, SEP | PAPER PRODUCTS | 30-60 |
| 34 | FEB, AUG, OVERSEAS JUN, DEC | CAT & DOG FOODS | 30-70 |
| 35 | MAR, SEP, OVERSEAS JAN, JUL | PICNIC SUPPLIES | 6-12 |
| 36 | APR, OCT, OVERSEAS FEB, AUG | PICKLES, OLIVES, &RELISHES | 30-60 |
| 37 | JUN, DEC, OVERSEAS APR, OCT | PREPARED FOODS AND SPECIALTIES | 58-125 |
| 38 | APR, OCT, OVERSEAS FEB, AUG | SALAD DRESSING, MAYONNAISE | 24-48 |
| 39 | APR, OCT OVERSEAS FEB, AUG | SALT, SEASONING, SPICES | 47-125 |
| 40 | APR, OCT, OVERSEAS FEB, AUG | SHORTENING, OIL | 4-18 |
| 41 | MAR, SEP, OVERSEAS JAN, JUL | SNACK & PARTY FOODS | 44-84 |

Table 8-1.—Stock Item Review List—Continued

S-1 GROCERY DEPARTMENT ITEMS—CONTINUED

| <u>GROUP NUMBER</u> | <u>REVIEW MONTH</u> | <u>MERCHANDISING GROUP</u> | <u>RANGE OF ITEMS</u> |
|-------------------------|--------------------------------|--|-------------------------------|
| 42 | JAN, JUL, OVERSEAS MAY, NOV | SOAP & DETERGENTS | 33-66 |
| 43 | JAN, JUL, OVERSEAS MAY, NOV | SOUPS | 35-70 |
| 44 | MAY, NOV, OVERSEAS MAR, SEP | SUGAR | 7-10 |
| 45 | MAY, NOV, OVERSEAS MAR, SEP | SYRUPS AND MOLASSES (INCLUDING HONEY) | 9-18 |
| 46 | APR, OCT, OVERSEAS FEB, AUG | VEGETABLES, CANNED OR GLASS | 58-116 |
| 47 | FEB, AUG, JUN, DEC | VEGETABLES & RICE, DRIED | 12-24 |
| 48 | ANYTIME | ONE TIME BUYS (SEE NOTE 2) | |
| 49 | JAN, JUL, MAY, NOV | HOLIDAY ITEMS (SEE NOTE 3) | |
| 50 | ANYTIME | DRY ITEMS PROCURED OFFSHORE BY OVERSEAS REGIONS | |
| 51 | JUN, DEC, OVERSEAS APR, OCT | GOURMET FOODS | 15-30 |
| 52 | MAR, SEP, OVERSEAS JAN, JUL | HEALTH AND BEAUTY AIDS | 150-200 |
| 53 | FEB, AUG, JUN, DEC | CANDY (SEE NOTE 5) | 70-80 |
| 54 | FEB, AUG | ICE CREAM NOVELTIES | 20-52 |
| 89 | JUN, DEC | FEDERAL SUPPLY CLASSIFICATION ITEMS | |
| 99 | ANYTIME | SIGNIFICANT UPRs/50¢ OR 28% LESS THAN REGULARLY ESTABLISHED COST PRICE | |
| | | TOTAL RANGE OF LINE ITEMS | 1615-3190 |

Table 8-1.—Stock Item Review List—Continued

S-3 MEAT DEPARTMENT ITEMS

| <u>COMMODITY</u> | <u>RANGE OF LINE ITEM MINIMUM RECOMMENDED</u> |
|---|---|
| BEEF | 38-58 |
| PORK (OTHER THAN SMOKED) | 6-12 |
| PORK (SMOKED) | 5-10 |
| VEAL (WHEN AVAILABLE IN AREA) | 2-6 |
| LAMB | 5-10 |
| POULTRY | 6-20 |
| SEAFOOD | 0-4 |
| ETHNIC FOOD (SAUSAGE, TRIPE, CHITTERLINGS) | 3-20 |
| TOTAL RANGE OF ITEMS | 65-132 |

S-4 PRODUCE DEPARTMENTS ITEMS

FRESH FRUITS, FRESH VEGETABLES, AND NUTS

| <u>COMMODITY</u> | <u>RANGE OF LINE ITEM MINIMUM RECOMMENDED</u> |
|---------------------|---|
| FRUITS | 20-60 |
| VEGETABLES | 38-80 |
| NUTS (IN THE SHELL) | 2-4 |
| TOTAL OF LINE ITEMS | 60-144 |

MERCHANDISING GROUP RULES

NOTE 1: A 6-digit catalog number will be assigned to each item in the stock list and price catalog. The group number that is designated for each merchandising group will be used as the first two digits of the catalog number to be assigned to each item within that merchandising group.

Table 8-1.—Stock Item Review List—Continued

MERCHANDISING GROUP RULES—CONTINUED

NOTE 2: Items in this group are restricted to the groups and subgroups authorized herein but ordered on a one-time basis. Quantities ordered should normally be for a 2-week period but will not exceed one month's anticipated sales. The number of one-time items carried will not exceed 60 unless approved by the Navy Resale and Services Support Office. Items will not be assigned to this group if they are purchased to test patron acceptance.

NOTE 3: Gift packs that include unauthorized items and/or component parts will not be stocked unless it is apparent that the total cost price is not influenced by the cost price of the unauthorized item/part. For example, if a gift pack of cheese included a cutting board and knife and the total cost value was no greater than the regular price of an equivalent amount of the same cheese, then the cutting board and knife constitute a free customer premium and the item can be stocked. In the case of filled Easter baskets, if the total cost of the item exceeds the total cost of the candy components, then the item cannot be stocked.

NOTE 4: Commissaries are not authorized to sell medical devices or drugs which require a prescription. Commissaries are authorized to stock those nonprescription devices and medications which are available over the counter in the United States. All products sold must be labeled following the Food and Drug Administration regulations, and must meet the provisions of the Comprehensive Drug Abuse Prevention and Control Act of 1970. Guidance on the provisions of this act will be requested from the activity's medical officer.

NOTE 5: The following specialty seasonal candy will not be stocked:

- Valentine's Day Candy (boxed hearts)
- Valentine's Day, Easter and Christmas, hollow, solid, and filled chocolate figures and novelties
- Individual Christmas candy canes and filled stockings

selection that would normally satisfy the vast majority of patrons. The officer in charge may stock any number of line items above the minimum authorized limit to meet patron demand. Any increases above the authorized stock levels, however, are subject to the restrictions imposed by staffing limitations, the availability of shelf and storage space, and the need to maintain accountability. The number of line items stocked should not exceed that amount that would prevent the maintenance in the S-1 grocery section of an overall 95-percent in-stock position

and a 100-percent in-stock position of designated master stock assortment of "never out" items.

A line item is any item that requires an individual description for a determination of procurement requirements, regardless of whether the determination is made by the vendor or by store representatives. Table 8-1 reflects the commodity group, group number, and range of line items recommended. Also included is a list of merchandising rules to which each commissary must strictly adhere. Items listed for procurement in your commissary in Departments S-1, S-3, and S-4

are listed in table 8-1. Refer to this table carefully for the purpose of the information in this chapter and for future use.

Table 8-1 has been provided for your information and to assist you with patron's requests. Table 8-1 should help you to answer some of the questions you may have in the future from patrons concerning when a particular stock item will be carried by the commissary.

STOCK CONTROL SYSTEMS

The maintenance of accurate stock control information will be important to you for many different reasons. As a supervisor of a commissary, you must have accurate stock control information to obtain merchandise for resale, to maintain a satisfactory in-stock position for merchandise, and to have the right amounts of merchandise on hand at the right times for displays, paydays, and seasonal periods. You must also have accurate stock control information to maintain control over the inventories you have on hand so that you will not exceed the inventory levels established by NAVRESSO. With accurate stock information, you can prevent the buildup of excess stocks that will result in poor inventory control and outdated stocks.

Currently there are three authorized stock control systems in use in Navy commissaries.

1. Manual system—The manual stock control system is used in small regions in overseas locations that do not have computers. The manual system is also used in CONUS stores whenever requirements must be determined for stock items that are procured by the short-cycle-weekly-delivery method.

2. Apple IIE computer system—This Apple system is used in larger regions in overseas locations. The Apple IIE is a small minicomputer that performs calculating and printing functions for a commissary's stock control system. The procedures used by the computer are very similar to those used in the manual stock control system.

3. Automated Commissary System (ACS)—The ACS is currently being installed in all CONUS regions to replace the outdated Monrobot X1 system and the L2000 system. The ACS is a computerized stock control system developed to provide data-processing support for procurement, stock control, merchandising, accounting, and management information functions for commissary stores in CONUS. The system uses a mainframe computer based at NAVRESSO. The

computer is connected by telephone lines to Remote Job Entry (RJE) terminals at the field support offices (FSOs) or regional offices. Data is prepared, encoded, and transmitted by the field activity to the mainframe at NAVRESSO where it is processed, then transmitted back to the field, where it is printed and distributed for use. The ACS provides a commissary with the ability to manage inventory by service levels, which are assigned to items based on their importance. The ACS also provides the controls the Navy needs to establish systemwide in-stock positions based on available inventory dollars and manpower allowances. The ACS allows the individual commissary to eliminate excess safety stocks, to increase order sizes, to provide improved services and lower selling costs to the patron, to reduce inventory levels, and to increase labor efficiency.

The information above provides a mere overview of the systems that are available to the individual commissary. It is your responsibility to dig out current NAVRESSO instructions so that you can stay abreast of what stock control systems are available for your commissary.

STOCK REVIEW AND CUSTOMER REQUESTS

Your knowledge of stock review will help you to answer questions from customers and to satisfy many of your customers' requests. One of the most frequently asked questions will be: "When will this commissary start carrying _____ (a specific item)?" Requests will usually involve an item patrons have seen through an advertisement of some sort. Table 8-1 shown earlier in this chapter should provide you with enough knowledge about the requested item of stock so that you will be able to answer patrons' questions. Your knowledge of the table will save you many embarrassing moments and will keep you from having to say the famous five words: "Let me ask the boss."

The most important person in your commissary is the customer. To treat the customer like a VIP, you must stay abreast of commissary procedures. You will find that the customers will leave in a happy mood most of the time when they can get answers to questions that assist them in planning their shopping. Remember, you do not really need to try to remember the commodity groups or to memorize the months or ranges of line item numbers. You just need to keep the list available to help you give your customers fast service and correct information. Review the

Federal Supply Classification Group 89 items with like commodities. In this way, you can consider new products, voluntary price reductions, or other special price offerings made by any supplier or supplier's representative at any time.

Supervisors in charge of Navy commissaries should take all practical measures to assure that the items stocked meet the reasonable requirements of store patrons. Commissary Item Request (NAVSUP 1157) forms should be made available to all patrons for their requests, recommendations, and remarks concerning commissary items. A proper space furnished with writing instruments should be provided for the patrons who desire to make requests and recommendations. Completed request forms should be turned in daily to the commissary's manager or officer. The commissary's manager or officer should review the requests and determine the feasibility of each request or recommendation. All requests or recommendations containing the patron's address should be answered.

SPECIAL STOCK ITEMS AND LEGAL RESTRICTIONS

Because of legal or safety restrictions associated with certain items of stock, you must be aware of the special handling and sales procedures you will be required to follow. You will also need to recognize the conditions under which sales, solicitations, and other activities are strictly prohibited. Some of the safety precautions and legal restrictions are discussed below.

Pest Control Agents

Pest control agents offered for sale in your commissary must be limited to those that have been registered for use by the Pesticide Regulations Division, U.S. Department of Agriculture, and that are NOT prohibited by applicable state or local laws. Restricted pesticides cannot be procured for resale in your commissary. Restricted pesticides include highly toxic pesticides and other pesticides that are too hazardous for man or the environment (animals and crops). The restriction on their sale, purchase, use, or possession is necessary to protect the public as defined by federal, state, or local government. In all cases concerning a pesticide for sale in a Navy commissary, a certification must be obtained from the vendors as to registration with the Pesticide Regulations Division, U.S. Department of Agriculture.

After you have procured the pest control agents authorized for resale in your commissary, you must follow certain procedures for their display. Arrange and display pest control agents according to their type. For display purposes, use the following categories to group your pest control agents into types.

1. Space aerosols (for spraying air indoors)
2. Pressurized sprays and residuals (that should never be used to spray air indoors)
3. Poison baits
4. Concentrates (that must be diluted according to the directions on the label before use)

Use appropriate signs and warning statements in displays for each type of pest control agent. Signs cautioning patrons on the use of pest control agents should always be displayed at all locations where these agents are offered for sale. Be sure to provide suitable storage space for pest control agents. You must take special care to avoid contamination of other resale items in your commissary with resale commercial pesticides.

Medical Items

Commissaries are not authorized to sell medical devices or drugs that require prescriptions or that are subject to abuse. Drug and medicinal items offered for sale in Navy commissaries must be labeled according to Food and Drug Administration regulations. Therefore, commissaries are authorized to stock devices and medicines that are available "over the counter" in the United States. All products sold must meet the provision of the Comprehensive Drug Abuse Prevention and Control Act of 1970. You can acquire guidance regarding provisions of this act from your activity's medical officer.

Unauthorized Stock Items

Items not falling within the broad categories in the authorized stock list in your *Commissary Operating Procedures Manual*, NAVRESSOINST 4065.23, must not be procured for sale or use in the commissary without the specific approval of the Navy Resale and Services Support Office. The letter requesting approval should contain justification for the items. When approval is received from the Navy Resale and Services Support Office, procurement should be effected in the same manner as for other authorized items. When the items are procured by requisition through another Navy

activity or by purchase, the date and file number of the Navy Resale and Services Support Office's letter of authority must be included on the requisition or purchase order.

Concessions

Grant no concessions! You are prohibited from granting concessions or making any other arrangements with dealers or tradesmen in which vendors are allowed to make sales by agreement to pay a portion of their profits to your commissary or to receive payment for articles sold by invoicing them to the commissary. Remember, as a senior Ship's Serviceman, you will have several other Ship's Servicemen working for you who will have direct contact with vendors. Most of the vendors are "straight shooters," but you should always impress on your people the chance that they will come up against that one "super salesperson." All it takes is one infraction in dealing with commercial vendors and your control over your commissary and your subordinates will be seriously affected. With duty assignments rotating as often as they do, you must constantly hold training for both your experienced people and your new ones. You should cover the Navy's Standards of Conduct in all training sessions.

Vending Machines

Vending machine services, such as those for candy, cigarettes, and beverages, may be considered a necessary convenience for your commissary and your personnel. Vending machines in a Navy commissary can be operated only by the local Navy exchange.

Portable Fire Extinguishers

Portable fire extinguishers that do not bear the approval label of recognized testing laboratories cannot be procured for use in your commissary.

Sample Merchandise

The solicitation or acceptance of free sample merchandise is strictly prohibited in Navy commissaries. Remember, product evaluation and product selection are handled at the regional and divisional level only. For more detailed information on these restrictions, consult the *Commissary Operating Procedures Manual*, NAVRESSOINST 4065.23, and follow the prescribed recommendations.

Bonus Coupons

The use of bonus coupons is prohibited in Navy commissaries. Bonus coupons usually enter commissaries in shipping cases. These coupons are usually directed toward the personal benefit of military or civilian employees assigned to the commissary.

Warn your commissary personnel that bonus coupons are strictly prohibited. These coupons are not a part of the resale unit and are intended for redemption in the form of gift premiums by commercial store proprietors or employees. Dispose of these coupons by donating them to charitable organizations, such as Navy Relief. (You can also dispose of them by supervising their destruction.) At any rate, give no special preference to the procurement, display, or handling of any merchandise containing bonus coupons.

Bonus Merchandise

Acceptance of any bonus merchandise you receive, such as cameras and watches, that is not authorized as a commissary resale item is strictly prohibited in your Navy commissary. However, you can accept reductions in the unit price of authorized stock items when the extra merchandise is the same type of merchandise you have ordered. For example, if you ordered 250 cans of canned milk and the vendor sends 300 cans for the same price, you can accept this type of authorized merchandise as a price reduction. Any national commercial promotions, such as customer drawings, must be carefully screened and handled according to strict regulations.

RECEIPTS

All resale merchandise, miscellaneous supplies, and services procured and received by the Navy commissaries during day-to-day operations are classified as receipts. All receipts must be accounted for. Receipts of resale merchandise should be accounted for by appropriate entries made to the Journal of Receipts (CS 35). Receipts of miscellaneous supplies and services should be accounted for by appropriate entries made to the CS Trust Fund Accounts, Receipts and Expenditures Ledger (CS 28).

Control of Receipts

Receipt items received into the receiving branch should be verified against vendors'

delivery documents and the retained copy of the purchase order or requisition. A receipt document that does not contain a preprinted certification must be stamped on the reverse with the following notation:

Receipt and Custody Certification

(Date)

(Receiving Number)

“I hereby certify that I have received, inspected, and passed the items and quantities indicated on the reverse hereof.”

(Receiving clerk's signature and receiver's number)

Receiving Numbers

A receiving number from the Receiving Log, NAVSUP 975, should be assigned by the receiving sections. Receiving numbers should come from a continuous series of numbers beginning each month with 0001 or 001. Receiving numbers should contain an appropriate prefix. The prefix should indicate the commissary or distribution center and the number of the month. You should assign receiving numbers for Commissary Trust Revolving Fund (CSTRF) receipts in the same manner as you would for the Navy Stock Fund (NSF) receipts. The only difference is that the serial number for the CSTRF receipts should be preceded by the number 8 (for example, 8001 or 801).

Receiving numbers for daily delivery-type items are assigned by the receiving section of the distribution centers, branch commissaries, or independent commissaries from a continuous series of numbers for each T-53 (Daily Delivery Order and Inspection Report) vendor by the billing period. Assignment of your numbers should not be taken for granted. Understand that this method is your commissary's control of its receipts, so keep alert.

PROCUREMENT METHODS

There are three methods of procurement that are used in a Navy commissary. These methods are as follows:

1. Long cycle—7 days, 14 days, 21 days, 28 days

2. Short cycle (weekly)—7 days or 14 days
3. Short cycle (daily delivery)—Less than 7 days, at least two deliveries (daily delivery) of major items each week

Some examples of merchandise ordered under the long cycle are group 14—beverages, group 16—condiments, group 33—paper products, and group 42—soap and detergents. The short cycle (weekly) method would include group 10—baby needs, group 18—dairy products (other than fresh milk vendors), group 22—frozen foods, and group 53—candy. Under the short cycle (daily delivery) method, you would procure group 11—baked goods, group 18—dairy products (fresh milk vendors), and group 54—ice cream. These are just a few examples of the items procured under the three methods used by Navy commissaries. Your NAVRESSO notices will tell you the documents that are used for each method. (Since you will be relying upon NAVRESSO notices, you must realize how important it is for you to keep all NAVRESSO notices and publications current.) The DD 1155 and the T-53 are the most frequently used procurement documents in a Navy commissary.

Lead time on the long cycle is usually over 12 days. On the short weekly cycle, the lead time is under 8 days. On the short daily cycle, there is no lead time; the merchandise is stocked on the same day (for example, fresh bread and fresh milk). Regardless of what method of procurement you use, all delivery documents from vendors should be itemized. Normally, merchandise procured under the long cycle will be stored in the warehouse. Merchandise procured under the short cycle (weekly) will be stored in the store's ready issue room. In all cases, merchandise ordered under the short weekly or daily method will be stocked on the sales floor. In some cases, such as a special sale, limited space in the ready issue room may be used for short periods of time.

Automated Commissary System (ACS) and Daily Deliveries

Currently all commissaries in CONUS are using the ACS. Under this system, daily deliveries are accomplished through the use of Daily Delivery Order and Inspection Reports (T-53s). The TC-53s are printed by remote communication link with NAVRESSO computers. The T-53s are then forwarded to the respective commissaries from the regional office and are maintained in the Open Order file. Review the flow chart in

figure 8-1 as you read about the reorder cycle process described below.

The commissary starts the reorder cycle by calling in, to the vendor, the quantities required and noting the units ordered on a T-53. Upon delivery, the units received are recorded on the T-53 and on the vendor's delivery ticket. You, as a supervisor, should remember that all shortages must be signed for by the vendor's delivery person on both the T-53 and the delivery ticket. This is a common problem in the system so the signing procedure must be strictly enforced. You should understand that failure to adhere to this policy of noting shortages will result in the vendor's billing the commissary for units shipped instead of the units delivered. This common error constantly contributes to delays in the payment of invoices.

Each delivery must be transmitted by a communication link to the NAVRESSO computer. Delivery information is recapped and transmitted to the regional office where the Daily Delivery Input Validation (071) form is printed. When the T-53 and the delivery ticket reach the accounting office, the information on these documents is matched to the Daily Delivery Input Validation (071) form. If everything is in agreement, the matched documents are filed by date and by commissary. If the 071 is not in agreement with the T-53, the difference is resolved and a Daily Correction Sheet (073) is prepared. Upon receipt of the corrected Daily Input Validation (071), the documents are filed.

The daily delivery system is a good system. It can only fail if you, the receiver, drop the ball by not properly counting merchandise, checking case counts, and noting shortages and damaged merchandise. Figure 8-1 illustrates the route taken by a T-53 on the ACS.

Warehouse and Distribution Centers

Efficient stock handling and storage requirements are the major interrelated work operations necessary for effective overall commissary operations. Good practices and fundamental principles are the key to quality warehousing. If you become a senior Ship's Serviceman working as a warehouse manager, you will need to use easily understood formats to achieve accountability, control, and security of inventory and operations.

The most logical method of organizing a warehouse facility and defining tasks and workloads is by means of an organizational

chart. After you have assigned your people their tasks and have leveled out your workloads, you should provide your workers with the rules and regulations governing parking areas, time cards, breaks, and leave. You are now ready for your actual warehouse operation.

A successful commissary operation depends on your keeping shelves stocked with merchandise that customers want. While this may sound like a simple task, it is actually a complex process involving procurement, merchandising, accounting, and warehousing. If all these procedures had to be performed manually, the worldwide Navy Commissary System would require a large administrative staff and the procedure would take a great deal of time. The Automated Commissary System (ACS) was developed to facilitate these procedures. The ACS uses a network of computer terminals that are located at commissary divisions/regions and warehouse/distribution centers. Using these terminals, the regional offices encode the "raw" data and transmit it over the telephone to the Navy Resale and Services Support Office (NAVRESSO) where the data are accepted, processed, and stored. Then, at the request of the region, processed data are transmitted back to the terminal in the form of reports, purchase orders, and breakouts. Most warehouse/distribution centers have a "remote printer." Remote printers receive the encoded breakouts that have been transmitted from the commissary to NAVRESSO and then back to the warehouse/distribution center. These printers are capable of receiving various reports that may be needed in day-to-day warehousing operations. Some of the most important printouts you will use in the commissary are the Stock List Price Catalogs (SLPCs). These printouts describe merchandise items in the commissary division/region and identify those stores in the region authorized to carry the specific items. The SLPC is used by stores for pricing and by the regional office for reviewing total stock assortments. The warehouse uses the SLPC for slotting and inventory control purposes.

There are several subsystems used in the ACS. These subsystems are listed below.

- **Merchandise transfer subsystem**—The merchandise transfer subsystem uses data generated and processed at the commissaries, the regional offices, and NAVRESSO to determine requirements for replenishing branch commissary merchandise from the warehouse or distribution

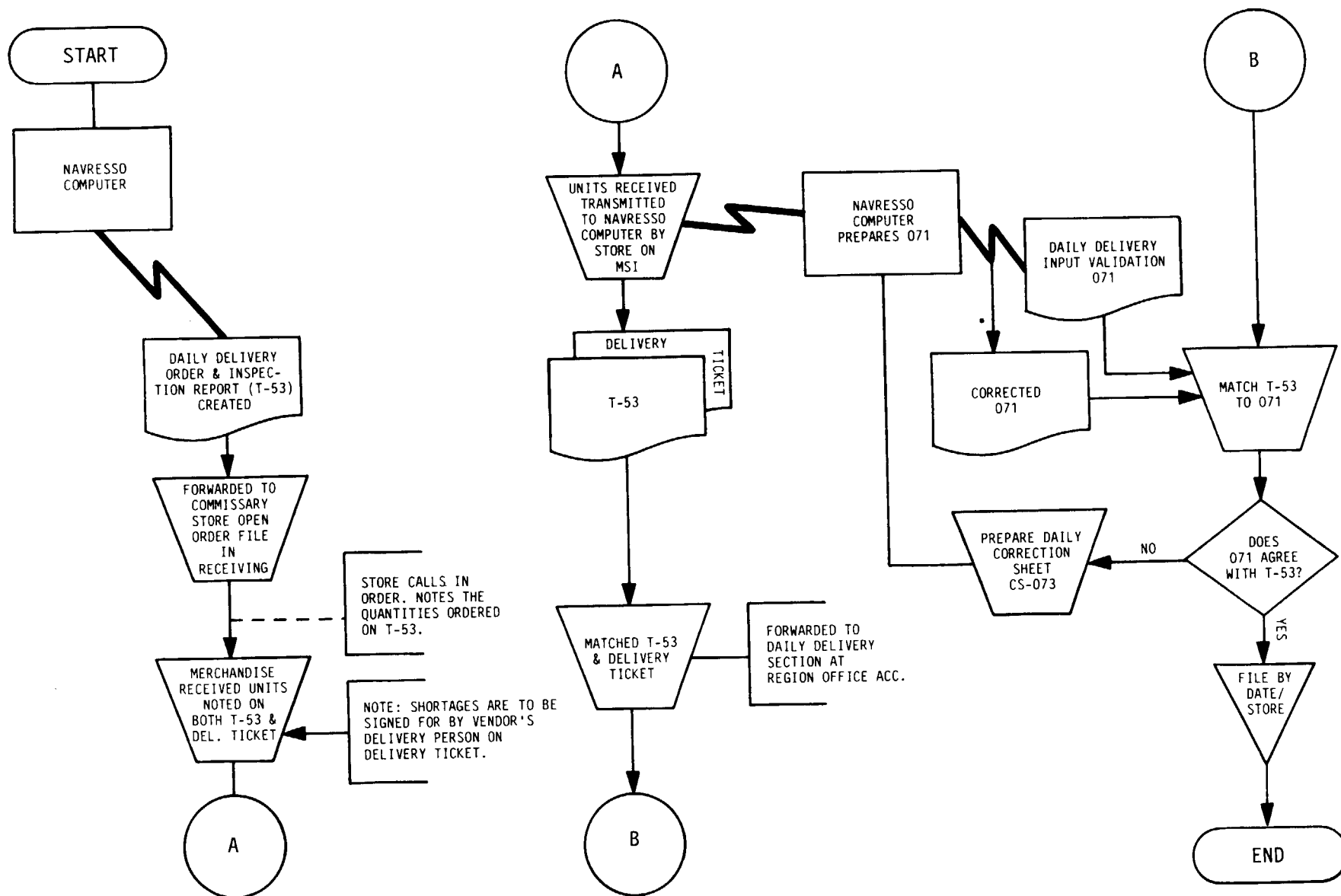


Figure 8-1.—Automated Commissary System (ACS) for daily deliveries.

center. The subsystem requires branch commissary encoding of stock requirements by use of portable electronic order entry devices and transmission of the data to the NAVRESSO computer. The information picked up by the portable scanner is located on a “bar coded” shelf label. The computer processes the requirements against its master files and provides transfer documents (T-973s) and packing labels for each warehouse or distribution center.

● **Standard price change (SPC) subsystem**—The ACS standard price change (SPC) subsystem is a computerized method of processing standard price changes for S-1 items in commissaries. Through this system, the computer generates documents identifying the old and new standard price for S-1 items and the standard price change effective date (SPCED). In preparing these documents, the system automatically calculates a new standard price based on the last standard price, the new cost price, and a three-tier markup percent. The three-tier markup percent includes a minimum, an assigned, and a maximum markup percent.

● **Purchase order subsystem (includes inventory control)**—The purchase order subsystem includes mechanized inventory control functions of calculating sales and adjusted sales (using NIS [“not in stock”] percent), identifying unusual sales, updating average sales and variation in sales (for 14-day sales cycles), determining replenishment order quantities, and creating purchase orders for warehouse items.

● **Direct store delivery subsystem**—The direct store delivery (DSD) subsystem is concerned with those items delivered by vendors to branch commissaries in the region rather than to a central distribution point or warehouse. Purchase orders for DSD items are not generated by the computer. DSD items are ordered by region or commissary personnel. The computer generates the Daily Delivery Order and Inspection Report (T-53) form, which is a list of items authorized to be ordered from data in the master files.

● **Accounting subsystem**—The accounting subsystem is a computerized method of processing receipts and adjustment actions to create the Journal of Receipts (JOR) and Journal of Adjustments (JOA). The JOR and JOA transactions then become part of the reconciliation of receipt files for matching by the computer to

abstracted public voucher and summarized invoice transactions.

These various subsystems are supported by two basic master files in the ACS. These files are the Item Master File and the Vendor Master File. Both files are used in the control of various inventory control and procurement actions. They also provide data for the accounting and management functions that support the operations of Navy commissaries. The master files include all items except direct store delivery items. As mentioned earlier, direct store delivery (DSD) items are delivered to each store. They are known as short cycle or nonwarehouse (NWH) items and are generally of a perishable nature, such as milk, ice cream, and other similar products. The Vendor Master File (VMF) contains records identifying the various vendors who are doing business with the region. We are now at the point in this chapter where control of actual stock is put into one word—inventory.

INVENTORY

Inventories are taken for four basic reasons.

1. To verify balances of stock on hand and stock record balances of inventories
2. To determine the differences between actual physical count and stock balances shown on records
3. To provide data for planning against recurrence of the differences
4. To establish a correct money value balance for accountability

As a supervisor or manager in a Navy commissary, you must always stress the importance of an accurate inventory. You should take part in the preparation and distribution of the internal inventory procedures for your commissary, including the time, method, and personnel involved. In fact, inventory procedures should be prepared in writing as an internal store instruction and should be distributed to all commissary personnel concerned. As a supervisor or manager, you should conduct training for commissary personnel before each inventory is scheduled. Most inventories are taken by contracted services. This fact, of course, does not relieve you of your responsibility as a supervisor to ensure that everything is accounted for. A good training program will help you to assist the contracting inventory team in doing a thorough job. You must

remember that the only way to be sure is with the use of double checks. A good policy for you to follow is to random check as many areas as you possibly can. At one time or another, almost every Ship's Serviceman has had to do some serious recounting on board ship. Double counting has almost eliminated the problems of bad counts. The inventories taken by contracted personnel should be completed in the same way as they would be with Navy commissary personnel.

Physical inventories are usually taken on a semiannual basis at the end of the second and fourth quarters of the accounting period. Special inventories are usually taken only by the direction of NAVRESSO. Cyclical inventories are taken on established cycles. Cyclical inventories include reorder, standard price changes, and perpetual inventories. Of course, a perpetual inventory is also a cyclical inventory which is an ongoing operation used for stock control and the ordering of resale merchandise. The adjusted book inventory is another inventory used by commissaries and distribution centers when a physical inventory at the close of the accounting period is not needed. The physical inventory figure that is used on the Cost of Sales worksheet is an adjusted inventory figure. In summary, an inventory in a Navy commissary can be any one of the following types:

- Physical inventory (sometimes performed by contract services)
- Adjusted book inventory (performed by commissary personnel)
- Cyclical inventory (which includes several types of inventories, such as price changes, reorder, etc.)

You must keep in mind that procedures may vary somewhat from one commissary to another, depending upon availability of personnel and services. You must read and understand your commissary instructions and stay abreast of them. As a commissary supervisor, you must keep your NAVRESSO instructions current so you can perform at the expected level.

The information you have read up to this point in the chapter has addressed the various ways in which the commissary store acquires the items to be placed in the store for resale. In the next section of this chapter, you will read about some of the methods and procedures the senior Ship's Serviceman, as a supervisor, will need to

follow to sell the merchandise through the front end.

FRONT END PROCEDURES

The front end is the part of the store that is visible to the patrons. It is also the part of the store that will be used by the patrons. For this reason, the way in which the front end is supervised will have the greatest effect on the success of the overall operation of the commissary.

SALES FLOOR

The sales floor area must be maintained in a clean and orderly condition at all times. The stock and equipment should be arranged in a manner that will permit convenient and efficient shopping for the patron. If the stock is arranged by general category, the patron can usually complete his or her shopping more successfully.

The amount of damaged or deteriorated merchandise can be kept to a minimum as long as prescribed stock rotation and inspections are followed. Damaged merchandise that is still fit for sale should be removed immediately to a special area where it can be offered for sale at a reduced price. Items that have spoiled should be removed immediately from the sales floor.

For the convenience of the patrons, shelf stocking should not normally be performed during the business day except when depleted stocks absolutely must be replenished. If it becomes necessary for shelves to be stocked during shopping hours, you, as a supervisor, should make certain that the aisles are kept free from cartons, boxes, and materials-handling equipment as much as possible. The meat area (S-3) and the produce area (S-4) are extremely important. As a supervisor, you must give special attention to these areas.

Meat Sales Department (S-3)

Bulk meat and packaged meats for the meat department (S-3) are received daily through several types of procurement procedures. Usually these products are ordered and received on T-53s. When bulk beef, pork, and lamb are received, an Army veterinarian inspects it for quality and temperature. It is important that you maintain close liaison with the veterinarian. The veterinarian is there to help your operation and not to hinder it. When you and the veterinarian

work together, the results are quality products for commissary patrons.

Frozen items are also received for the S-3 department. For instance, whole turkeys, turkey parts, and a large variety of pork, beef, and chicken parts are included in frozen food items. Although these items are frozen, you must pay close attention to ensure that correct temperatures in the meat cases are maintained. Often, a case will defrost and refreeze without any evidence of this happening. Of course, when this happens, the frozen items should be surveyed. The bottom line is that you should prevent this from happening in your commissary. Keep a close eye on your cases, the temperatures, and other frozen food conditions that might cause a loss of items to survey. Case load limits and stock lines must strictly be adhered to. Normally, your commissary will have a butcher shop manager to oversee the S-3 department, but it is your responsibility as a supervisor to assist in making sure the overall operation is running according to prescribed procedures. Constant patrols of the meat display area are a requirement of good commissary management. These areas must be kept dry and clean for safety and health reasons. In the meat department, a 3 1/2-percent markup should be added to the price of the meat before the items reach the cash register. Just as with produce, when meat department items are sold through the cash register, the normal 5-percent surcharge is added to the price of the items. Your meat department will demand a certain percentage of your total commissary sales. This is usually always the highest percent of sales. To maintain this percentage, you must assist your meat department by keeping an eye on the display area for any type of problems. Knowledge of the various cuts of meats is very easy to pick up. This knowledge will help you on the sales floor to assist customers with common questions. Meat-merchandising techniques are taught through NAVRESSO workshops. Contact NAVRESSO through proper channels for any help you may need.

Produce Sales Department (S-4)

Bulk produce for Navy commissaries usually arrives from vendors by daily deliveries. The produce sales department initiates and verifies the receipts of bulk produce. After the produce is received, the produce sales department is then responsible for trimming, sorting, pricing, and displaying the merchandise.

For the commissary supervisor, produce is a department that requires constant patrol and supervision. This tight control is necessary not only for the sake of restocking at optimum times but also for keeping the area clean and safe for the patrons. The customer should be able to move freely through the produce area without stepping on fallen fruits and vegetables and suffering personal injury. You will find that if you keep your produce area clean and well stocked, your sales will remain at the desired percentage levels.

In the produce department, a 2 1/2-percent markup should be added to the price of the produce before the items reach the cash register. When the items are checked through the cash register, the normal 5-percent surcharge is added to the price of the items. For the store to achieve these charges, the merchandise must be fit for resale. The information below should offer a few rules a good supervisor will wish to enforce.

There are a few commonsense principles that should be observed by all commissary personnel working in the S-4 department. First of all, "handle with care" should be an ironclad rule. As a supervisor, you should insist on the observance of this rule by all personnel who will have anything to do with the handling of fresh fruits and vegetables in your commissary. Rough handling will inevitably mean a serious loss in quality. Remember, quality is the most important asset of any produce department. A loss in quality will always result in a loss in sales. You can even reduce rough handling by the customer by arranging the displays so that the customer can make selections without digging into the produce.

Another rule you should remember to enforce is "keep it cool." Refrigeration will slow down respiration ("breathing") in fresh fruits and vegetables. Generally speaking, the lower the rate of respiration, the slower the loss of quality will be. The produce that you display on the sales floor will not require the low refrigeration temperatures you must use for extended storage. Temperatures of 40°F to 50°F will keep most produce in satisfactory condition for resale for 3 to 4 days. Of course, there are the exceptions to this rule. Bananas, avocados, sweet potatoes, and one or two other commodities should not be kept under refrigeration in the retail store under most conditions.

The average commissary will need to donate 10 percent of the space of the whole commissary to the produce department. Because of this, proper display of the merchandise is essential. If you, as a supervisor, encounter problems

associated with your produce department operation, you will acquire the best answers through NAVRESSO assistance. Produce Merchandising Association techniques are being taught regularly in NAVRESSO workshops. Contact NAVRESSO for the help that you need.

AUTHORIZED PATRONS

Most of the most important aspects of front end supervision is dealing with commissary patrons in an effective, successful, and profitable way. One of the first responsibilities of commissary personnel at the front end is to verify that all persons who enter the commissary to make purchases are authorized customers.

Definitions

As discussed earlier in this chapter, it is the responsibility of the commissary to make certain that all persons who make purchases in the commissary identify themselves as authorized patrons or agents of authorized patrons. The commissary does not issue or approve any type of purchase credentials. Similarly, the commissary is not authorized to issue any type of guest entry documents. The definitions for authorized patrons and agents are contained in the *Armed Services Commissary Store Regulations* (ASCSR). In some cases concerning definitions of authorized patrons, other Naval Military Personnel Command instructions may apply. Authorized credentials, as such, are listed in your ASCSR. Regulations governing reservists and dependents of reservists are also contained in the ASCSR. You should consult this publication whenever you have any doubts concerning authorized commissary store patrons. It goes without saying that you should follow these regulations to the letter.

Pass Desk and Identification Checks

A pass desk or booth should be installed at the entrance of every commissary. It is here that you or one of your pass desk attendants can identify each person seeking entry as an authorized patron, an agent of an authorized patron, a dependent, or a visitor. Instruct your pass desk attendants to examine all purchasers' credentials so that your staff can recognize that the credentials are acceptable. Instruct your staff to take special care in making sure that purchasers' credentials have not expired or been altered in any way. Whenever altered or expired

credentials are presented, your pass desk attendants should follow the procedures that have been established by the host command to deal with these problems. Normally, the credentials should be confiscated and receipts should be given if they are requested by patrons.

At all times, you should maintain strict control over the entrance and exit of visitors to the commissary. Remember, visitors are persons who are recognized by commissary management as persons other than authorized patrons and commissary employees on duty. Make sure that your visitors are logged in and out. You should also issue serialized badges identifying the types of visitors. Types of visitors for which you will want to prepare special badges include vendor representatives and vendor stockers. Any baggers you may employ should be issued visitor or bagger badges. For all other authorized, official visitors, such as representatives from NAVRESSO, you should issue badges marked Official Visitor. The information in the visitors' log should include the name, the purpose of the visit, the serial number on the badge, the date, and the times logged in and out.

To allow for ready identification of store personnel, all store employees should wear easy-to-see clip-on identification cards. You should encourage the use of these cards in all circumstances. Employees who are stationed at the store entrances for the purpose of checking identification credentials should be prominently identified as commissary personnel. These employees should be carefully instructed in all matters involving procedures for checking identification, giving refunds, cashing checks, and answering questions concerning the location of rest rooms, layout of the sales floor, and other general information they might be asked to furnish to patrons. Just as in any other sales operation, the persons who are assigned these responsibilities and who occupy visible jobs must project an image that reflects positively on the commissary. Since these people are the patron's first contact with the commissary, these employees must always exhibit a demeanor and an appearance that represent the commissary store in a favorable light.

AUTHORIZED TENDER

With the exception of charge sales, all commissary patrons must use certain authorized forms of tender in exchange for purchases as cash. The

types of tender that Navy commissaries are authorized to accept from patrons are as follows:

- Cash
- Personal checks
- Vendors' coupons
- Food stamps
- Travelers' checks
- Money orders
- Refund vouchers

If there are no available check-cashing facilities, Navy commissaries may accept (and cash) United States government pay and allotment checks from properly identified patrons. This service can be provided as long as the service does not adversely affect staffing or operations in the commissary. The officer in charge or a designated assistant must approve any U.S. government payroll or allotment check before the commissary can accept the check for payment or cash. According to prescribed limits, change funds in the commissary should be increased whenever approved U.S. government payroll and allotment checks are cashed. In accepting U.S. government checks, each commissary store must follow the prescribed regulations. These regulations are contained in NAVRESSOINST 4065.39.

CHECK-OUT PROCEDURES

As a front end supervisor, you must make certain that the check-out phase of your store is operated according to standard regulations and procedures. You must also make certain that your patrons are not forced to spend too much time waiting in line. With a little work and planning, you can comply with all regulations and still provide an efficient check-out operation.

Your check-out staff will have many responsibilities. Check-out personnel must make certain that all patron purchases are accurately recorded in terms of price and department. Check-out personnel are also responsible for accepting money and making change. As in any retail operation, cash and other forms of tender must be adequately safeguarded. All of these tasks must be completed in a way that will minimize patrons' waiting time.

In the check-out phase of your commissary, you must achieve good standards of service. You should staff and operate the check-out area so that no more than four persons are forced to wait in a check-out line. To achieve this standard, you will have to open additional registers for patrons to take care of heavy traffic in the check-out area. At times when you have fewer customers, you can close the extra registers and distribute the waiting patrons to the other lines. If customers are standing in a line that you are planning to close, identify the last customer to be served and politely route the other customers to the other lines.

During sales hours, you should plan to have supervisory personnel available to assist patrons at check-out areas. Make certain that your check-out lines are clearly numbered. Lighted lampposts with numbers are an effective means of clearly marking your check-out lines. If your store size permits, you can use a single line from which you can direct patrons to the next available register.

A prime irritant among patrons is excessive waiting lines at the check-out area. Commissary managers must constantly monitor the number of patrons awaiting check-out and, when needed, initiate immediate actions to supplement the number of check-outs in operation. Such actions will include the assignment to check-outs of those register operators who are performing other store-related tasks. A labor pool of intermittent employees who are on call may also be used to alleviate unforeseen patronage surges or temporary absences of regular employees. Moreover, since all employees working in other functional areas of the store (with the exception of the commissary officer, sales audit clerk, and the cash collection agent) will be trained in the operation of a cash register, they can be used in this capacity during emergency situations.

As a front end supervisor, you or an assistant must remain in the check-out area to assist customers during sales hours when customer traffic is heaviest. Head of the line privileges, use of express lanes, and other practices are covered in current NAVRESSO instructions. It is your job as a supervisor to consult these instructions and make certain that the correct procedures are carried out.

In a multicheck-out store when all check-outs are not being used, make certain your open check-outs reflect an even distribution across the check-out area. In this way, you can avoid patron congestion in one area of the front end. Remind your register operators that they are not permitted to keep personal belongings in the check-out

area. You can use employee lockers to eliminate this problem.

Instruct your check-out employees that they are prohibited from smoking or drinking while they are performing check-out functions. Make certain that check-out stands are washed daily. If you display merchandise at check-out stands, make certain that the merchandise does not impede customer traffic.

Spacing requirements between check-out counters are outlined in your NAVRESSO instructions. If you think that you have a problem with your front end spacing, check your NAVRESSO instructions and take the necessary steps. In stocking your counters, make certain that you have enough bags available and that the bags are the correct sizes and variety. Store all bulk bags out of the patrons' view. Use only bags for packing groceries. You should not use boxes for this purpose. You should try to comply with any reasonable customer requests for double bags or separate packing of perishables, frozen foods, ice cream, and crushable merchandise.

The check-out register for the express lane should always be the one nearest the entrance to the store. By keeping the express lane near the entrance, you can maintain an easy replenishment of hand carryout baskets.

Scheduling of Checkout Personnel

A well-trained, well-supervised check-out operation will not be successful unless labor resources are scheduled according to workload requirements. If the number of customers varies from day to day and from hour to hour, as it usually does in Navy commissaries, and you schedule the same number of work hours from day to day and from hour to hour, you are not adequately preparing the check-out operation to process patron purchases in a timely and efficient manner. The goal for full-time and part-time mix in the check-out function is to achieve employment of 25 percent of check-out personnel on a full-time basis and 75 percent of check-out personnel on a part-time basis. To balance workload and labor resources, you must take the following actions:

1. Chart sales and patron transactions processed during each hour of each day, each day within the week, and each week within the month by means of Sales Event Record (SER) Forms (CS 45) and the Checkout Operating Report Summary.

2. After considering this historical information and other relevant factors, such as paydays, sales events, forecast sales, and patronage, assign the work force on the basis of the anticipated workload. The employment of part-time workers can be used to assist in the correlation of the work force to the peaks and valleys of patronage. The total work force should be scheduled over a 14-day calendar period, based upon an employee pay period.

Supervising Check-out Productivity and Accuracy

Essential to your achievement of check-out operation objectives is your effective, efficient use of available labor resources. The degree to which you can achieve these objectives depends upon the adequacy of training, supervision, and scheduling and the degree to which you devote management attention to each of these elements.

Since check-out operations involve close attention to detail, interfacing with patrons, and the handling and safeguarding of funds, it is essential that personnel be thoroughly trained at initial hire. In addition, commissary personnel may require continued training for the supervisor to correct any bad habits that may develop. Register operators must be impressed with the importance of their function as it relates to the financial integrity of each department and the store as a whole, as well as to the development of good customer relations.

Upon being hired, a register operator should receive 8 hours of training and 1 hour of indoctrination before being assigned to a cash register. On a continuing basis, all register operators must receive 16 hours of training every 6 months. The training should be programmed as follows: 2 hours of classroom instruction, 4 hours of produce recognition, and 10 hours of register accuracy and speed. Classroom instruction should cover the policies and procedures related to the handling of cash and other tender, departmental recording, overruns, voids and refund procedures, and the replacement of "throw" receipt tapes. At commissaries equipped with electronic registers, the terminals should always be in the training mode during hands-on instruction. A "read" report should be taken before and after training on the registers. These reports must be secured and verified during sales audits. These results should be recorded on CS 1. Since preparation for possible power failures or cash register malfunctions is essential, practice

sessions for such contingencies should be conducted during slack hours.

In the event of power failure or if the backup in electronic cash register systems fails, make every effort to process patrons who are in the store. Patrons will be informed that their orders can be processed but that the procedure will take longer than usual. If patrons choose to leave rather than wait for check-out, they will be advised that commissary personnel will return their selections to stock.

Cash Register Operations

If your store has more than one register, assign your cash register operators to specific registers. In other words, do not allow your register operators to select their own registers. When your store has more than one register, do not assign the same person to the same register on consecutive days.

As a supervisor, you will be the person to issue keys to the register operators. Each register operator should be issued a key to the locking mechanism of the register to which the operator is assigned. Register operators should not be issued any keys that would give them access to the detail tape in the register or the terminal. Operators should also not be issued keys that read the register. In fact, register operators should never have access to the supervisory key, the reading keys, or the readings themselves.

Once an operator is assigned to a register, the operator should make certain that the register is equipped with enough detail tape and throw receipt paper at all times. The operator should also check to see if the ink is producing legible tapes. The operator should give an accurate receipt to each patron who makes a purchase. It is the responsibility of the cash register operator to replace throw receipt paper. It is the responsibility of the supervisor to replace detail tape.

There are several precautions cash register operators should follow in all cash register transactions. So that all transactions can be observed, cash register windows should not be obstructed. Instruct all operators to check the bottom of each patron's shopping cart to make sure all merchandise has been placed on the check-out counter. When accepting payment from a patron, the operator should not place the cash in the drawer until after change has been made and given to the patron. The operator should then close the cash drawer until the the next transaction begins.

Whenever the check-out supervisor must operate a cash register, the supervisory functions of that person must be passed on to the next higher level of management. The retail manager, for example, may take over the supervisor's duties, such as reading the supervisor's register, approving voids, and carrying out other regular supervisory responsibilities.

OVERRINGS AND UNDERRINGS.— An overring or underring is an error that occurs when the wrong price of an item is entered into the cash register. The method of correcting these errors will vary according to the type of cash register installed in your store. At commissaries with electro-mechanical registers, the operator can correct the error by entering in the same department and the difference between the correct price and the amount that was rung in error. Next, the operator should advise the patron of the error and should mark the throw receipt to indicate the error. When an item is overrung, the register operator should prepare an Overring/Refund Voucher, NAVSUP 972, and should fill in the appropriate boxes. The voucher should be signed by the register operator and approved by the supervisor at the time of the overring. At stores with electronic registers, a Credit Record, CS 5, or a supervisory key should be used to control overrings and underrings. On the cash register, the key is usually labeled Error Correct. For all voids of \$2 or more, the operator should cite the reason for the action and should get the void approved by the supervisor at the time the void is made.

Each day you should inform each register operator the amount that he or she was either over or short. To document these facts, you should use the Daily Register Operator Record (CS 1) to maintain a record of each cash register operator's performance. For stores with electromechanical registers, the columns designed for use with electronic registers, such as rings per minute and audit action, should be left blank. As a supervisor, you should submit each cash register operator's record to the commissary officer along with the Daily Cash Report and Sales Distribution Summary (CS 11) for review and appropriate action.

At commissaries with electronic cash registers, it is also the supervisor's responsibility to maintain the *Price Look-Up* (PLU) to track the price of high-volume or difficult-to-price items. In the PLU, the supervisor can find the price of a designated item. The price entered in the PLU is based upon official price lists received from the regional office or the approved price provided in

writing by the department manager and approved by the commissary officer. PLU tapes should accompany the register operator's record and the Daily Cash Report and Sales Distribution Summary (CS 11) when these documents are submitted for review.

Excessive differences must always be investigated. If it is considered to be necessary, the individual register operator will be required to count, accept, and sign for transfers of funds. If excessive differences continue, disciplinary actions may be warranted. Termination of employment of civilian personnel may also result. You can use this definition as a guideline: An excessive difference is an individual shortage or overage of \$1 to \$3 that occurs one-fourth or more of all the days the individual is assigned to operating a cash register. You must report any shortage involving possible fraud or criminal acts and any cash shortage of \$250 or more according to guidelines set forth in the *NAVCOMPT Manual*.

REFUNDS.— The Navy resale system has a policy of "satisfaction guaranteed or your money cheerfully refunded." This policy is strictly adhered to by Navy commissaries. When merchandise is returned by a patron, this action must be recorded in your Patron Refund Log (CS 65). You must indicate the appropriate action that will be taken on the item. For example, you should indicate whether the item will be returned to stock, returned to the vendor, or surveyed. In addition, an Overring/Refund Voucher, NAVSUP 972, should be prepared. This voucher must be signed by the check-out supervisor and the patron. The patron will redeem the Refund Voucher at the check-out area. An employee, other than the check-out branch supervisor, should then see that the returned merchandise is returned to the applicable department, either for survey, for return to stock, or for return to the vendor. The Patron Refund Log (CS 65) should be maintained by the check-out supervisor.

On a daily basis, the commissary officer will review the Refund Log. The commissary officer will compare the entries appearing in the Refund Log with the Overring/Refund Vouchers and with the Survey Log (NAVSUP 976). At the end of each business week, the Refund and Survey Logs, along with the Daily Cash Reports and the Sales Summary (CS 11), should be forwarded to the regional office for review, audit, and retention. Copies of the forms should be distributed to department managers for information purposes.

RECONCILIATION OF THE CASH DRAWER.— At least twice a month on unannounced days and at unannounced times, the commissary officer or a designated representative must perform a reconciliation of register operator cash drawers. A supervisor must perform these actions for the purpose of verifying funds. Each reconciliation must be conducted in the presence of another member of the commissary management staff.

ACCURACY OF RINGING.— At unannounced times, the supervisor should check each register operator for accuracy of ringing. This check should be performed at least weekly. The supervisor should perform this check by re-ringing a patron's purchase. The result of the test should be recorded in a log that the supervisor should maintain for this purpose. At commissaries equipped with electronic registers, the recheck should be performed with the register terminals in the training mode.

Safeguarding the Funds at Check-out

As a supervisor, you must monitor the security of cash and all other legal tender in the store. You must be on the alert to ensure that commissary personnel are following correct procedures in handling funds.

Cash funds for the register should be used only for cash register transactions. The only registers supplied with cash funds should be the registers that are actually in use. Instruct your people that at no time are they permitted to retain cash funds when the register is not in use. If a register operator leaves the register for any reason, the operator must remove the till. At that point, the register operator should secure the till in a special (identified) lockable compartment or should turn the till over to the cash collection agent. The cash collection agent is also required to retain the cash fund in an individually identified lockable compartment.

All currency, coupons, checks, vouchers, and other forms of authorized tender must be placed and kept in a register drawer. The security precautions for cash funds should also apply to other forms of legal tender. As mentioned before, whenever a register operator must leave the register for any reason, the operator must remove the till. Then, the operator must either lock the tender in a special lockable compartment that is identified for this purpose or turn the tender over to an authorized cash collection agent. If the

operator turns the tender over to an agent, the agent must secure the tender in a lockable, specially identified container or compartment.

THEFTS FROM THE CASH REGISTER.—

As a supervisor, you will establish and enforce controls at your commissary to maintain security of money in the store. There are still various means by which a dishonest employee may attempt to get around these controls.

Theft from a cash register can occur when a patron pays the exact amount for a purchase, accepts the bagged merchandise, and leaves the register without receiving a cash register receipt. (In other words, theft from a cash register can occur at any time during the business day.) A dishonest register operator will place the cash in the register with the next sale and accumulate an overage in the cash drawer. Such theft is also possible if the clerk is operating with an open register drawer. The overage is removed later. The operator may keep mental or written notes or other reminders as to the amount of the overage. An example of such reminders could be an accumulation of matches near the register or possibly pennies in the nickel or other coin till to correspond to the dollar amount of the overage. Other indications of this practice may be in the form of persistent small overages in an operator's cash drawer; that is, the even dollar amount is removed and the small change left so that the clerk will not be "short."

The following examples of theft illustrate additional methods that dishonest register operators (and supervisors) may try to use to beat the security system in your store.

- **Underrring**—This method generally occurs during peak sales hours. The customer is charged full price but a lesser amount is recorded on the cash register. The register receipt is discarded and not given to the customer. An overage is thus accumulated for later removal. This practice is made easier sometimes when register windows are obstructed so that the amount rung up cannot be seen by patrons or supervisory personnel.

- **Short ring**—The register operator deliberately fails to ring up one or more items during a sale. On completing the transaction, the operator tells the patron of the omission, adds these items to the register receipt in pen or pencil, and then collects the correct amount for the sale. An overage is created in the register for later removal.

- **Overcharge**—The clerk rings up the correct price but collects a higher amount from the patron. Again an overage is created for later removal.

- **Fraudulent refunds or overrings**—The operator commits theft from the operator's own cash drawer by creating spurious refunds and/or overrings to cover the amount taken.

- **Altering refund/overring documents**—Failure by supervisory personnel to control and validate refunds or overrings can result in this abuse.

- **Theft from another register operator's cash drawer**—This form of theft can occur when the register is left unattended and the cash drawer is unlocked and the key has not been removed.

- **Theft from another register operator's register by use of a secret number**—This type of theft is possible when operators share their secret numbers with each other for fraudulent purposes.

- **Theft from a common cash drawer or safe**—This type of theft can occur in a case where two or more register operators share a common drawer or two collection agents share a common safe combination. Without singular accountability for the cash, responsibility is extremely difficult to pinpoint.

PREVENTIVE MEASURES.— Sooner or later, almost every supervisor will run across a dishonest employee. There are measures, however, that a good supervisor can take to lessen temptation on the part of commissary personnel. A few of these preventive measures are discussed below.

- The cash register window facing the operator should be unobstructed at all times. The side away from the operator should also be clear so that ring-up figures can be readily seen by patrons and by supervisory personnel. This preventive measure acts as a deterrent to underringing.

- All sales should be recorded promptly on the assigned register.

- Cash drawers should not be shared.

- Error corrections and no sales should be kept to a minimum.

● Overrings should be reported to and approved by the check-out branch supervisor at the time of occurrence. Delays are not authorized.

● Refunds and returns should be made in the prescribed manner by the check-out branch supervisor only. Note that even dollar amount shortages or overages should be given special attention. Constant small overages in cash may indicate underringing and the removal of even dollar amounts from the cash drawer. A dishonest employee engaged in this practice will sometimes leave the small change in order not to be found short in the belief that management will not pay as much attention to an overage as a shortage.

● Cash register operators should not be permitted to make sales to members of their immediate family.

● At stores with electronic registers, the error-correct and void keys must be used to correct errors. The error-correct key should be used immediately following an erroneous entry (under-ring or overring) since the register is programmed to void the last entry when the error-correct key is used. The register operator may then reenter the item, ringing the correct price and department. A Credit Record (CS 5) should be inserted into the register to record the error-corrects or voids to permit an audit trail of total register operator voids for the sales audit function. On Bunker-Ramo electronic registers, voids and error corrections are controlled by the setting of a threshold amount at which an error can be corrected by use of the void key. This feature, which would require the supervisor to perform remedial action when the threshold is exceeded, should be used. When an overcharge is discovered after the entire order has been totaled, corrective action will be effected by means of an Overring/Refund Voucher (NAV-SUP 972) as described earlier and entered into the register as a void. Where an entire order must be voided out, prescribed void procedures should be used. Care should be taken so that voided amounts are properly credited to the appropriate departments. All voids of \$2 or more will require the approval of the supervisor at the time of occurrence.

● Sales to commissary personnel should be restricted to those employees who are authorized patrons or their agents. Specific check-outs should be designated for these transactions. For these purposes, an employee is defined as one who is

employed at any location within the region. For example, an employee assigned to the regional office who is also an authorized patron will be considered to be an employee of any commissary in that region when the employee desires to make purchases. Such sales will be witnessed by the check-out supervisor or an individual at a higher supervisory level. Individuals are prohibited from weighing, establishing the selling price, checking out, or witnessing their own purchases or those of their agent's sponsor or relative. Those employees who are authorized patrons or agents will not be required to complete any form or log that is not required of other patrons.

● Commissaries equipped with electronic registers should use the *Price Look-Up* (PLU) capability for pricing high-volume or difficult-to-price resale items. All S-4 items should be assigned PLU numbers. No more than 50 grocery (S-1) items should be included in the PLU. The PLU feature can be used to track the movement of items that, because of either their high susceptibility to pilferage or their potential for short delivery, contribute to inventory losses.

The supervisor can also use the PLU to initiate any disciplinary action that may be warranted as the result of a review of the previous day's sales audit or recent trends. At commissaries with electronic cash registers, it is also the supervisor's responsibility to maintain the *Price Look-Up* (PLU) file for all such designated items, based upon official price lists received from the regional office or approved prices provided in writing by the department manager and approved by the commissary officer. Whenever a change is made to the PLU based upon information provided by commissary department managers, a file of such authorized changes must be maintained for a period of 18 months. PLU tapes should be attached to the CS 11 and submitted to the regional office. There are several means by which the PLU is used to the commissary's advantage. They are covered in NAVRESSOINST 4065.34. This instruction should be thoroughly read and understood by the front end supervisor.

TOTALS, KEYS, READINGS, AND JOURNAL DETAIL TAPES.— Group totals must never be altered, turned back, or reset without permission from NAVRESSO. This is because group totals must always indicate a cumulative amount whenever these totals are read. Any group total reset keys, duplicate cash register

reading keys, and duplicate drawer locking mechanisms must always remain in the locked custody of the commissary officer.

Department totals should be reset when the register is read and secured daily. For this reason, the department reading should be zero (0) whenever the reading is taken at the end of the day and whenever the register is opened for the business day.

Cash register readings are usually taken by the check-out supervisor. In the absence of the check-out supervisor, the readings can be taken by another person who has been specifically designated to handle this responsibility. The register operators and cash collection agents are prohibited from taking register readings; therefore, register operators and cash collection agents should not be designated to take register readings when the check-out supervisor is not available to perform these responsibilities. In the situation where the check-out supervisor operates a cash register, another supervisor must be designated to take the readings for that register. The supervisor who is designated to take the readings must retain the cash register keys during working hours. All cash register readings, including the readings for each drawer or multiple-drawer cash registers, should always be taken at the beginning of the working day and later when the registers are closed for the day. In fact, all registers, including spares kept in another part of the commissary or in the warehouse, must be read at the end of the business day. This means all registers must be read whether they have been used or not.

Generally, it is the sales audit clerk who collects the cash register reading tapes. When a designated person other than the sales audit clerk obtains the cash register reading tapes, this person must deposit the tapes in a locked box for subsequent delivery to the sales audit clerk.

All detail tapes must be collected and secured at the end of each business day. Register operators and cash collection agents should not have access to detail tapes. Although tapes, readings, and keys are not used at commissaries that are completely equipped with electronic registers, the security and control principles described above should be applied.

TRANSFER AND COLLECTIONS OF FUNDS.— There are various methods commissary supervisors can use to safeguard funds whenever

funds are transferred and collected at check-out. Some of these methods are discussed below:

- **Transfers of funds**—Certain individuals should be designated as cash collection agents. These persons should issue change funds, make partial collections of receipts, and accept all funds at the close of the register operator's workday. Register operators should not count funds received or turned in unless they are directed to do so by the commissary officer because of unusual operator cash variances. In this case all transfers of funds between the register operator and collection agent will be counted by the register operator in the presence of the collection agent. Both parties will indicate their acceptance of the count by signing a Cash Receipt Certificate (NAVCOMPT 2114). If deemed necessary by the commissary officer, counts by the collection agent may be witnessed by another person who will also sign as witness to the count.

- **Partial collection of funds**—In order to keep funds held at the check-out to a minimum, to ensure timely deposits, and to lessen the cash collection agent's end-of-day workload, the commissary officer will establish schedules for partial collections to be taken throughout the sales day. As a minimum, a partial collection should be made at least 1 to 2 hours before the commissary closes. All checks, vendor coupons, food stamps (except those needed to make change), and the bulk of \$10 and \$20 bills should be picked up and prepared for the partial pickup. Pickups should also be made if the dollar volume of business experienced before the day's bank deposit warrants inclusion of such receipts in the deposit. Normally, partial collections of cash and cash items will be made by the cash collection agent who will not receipt for the funds collected. However, when a person other than the collection agent, such as the retail supervisor or check-out supervisor, is authorized by the commissary officer to make pickups, a Cash Receipt Certificate (NAVCOMPT 2224) must be issued. All counts will be verified by the register operator. The receipt must be signed by both the register operator and the person making the pickup. The original receipt must be held by the register operator and turned in to the collection agent when the final turn-in is made. The copy must be turned in to the collection agent with the cash and collected cash items. The collection agent should then verify the counts in the presence of the person making the collection. A receipt must

be signed by both parties and retained by the person making the pickups. If checks are part of the pickup, the receipt should indicate the number of checks only, not the dollar amount.

SUMMARY

You have just read an overview of commissary operations and the responsibilities with which you, as a senior Ship's Serviceman, may become

involved. Of the functions and operations covered in this chapter, good customer service, appropriate security of funds, integrity of store personnel, and sound management practices all provide an important basis for the success of any Navy resale operation. Whether you are assigned to a commissary store in a shore billet or to a ship's store afloat, you, as a senior Ship's Serviceman, should be able to use the information in this chapter to evolve into your future role as a manager and supervisor in the Navy's resale system.

